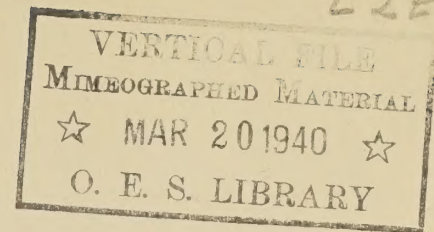


ECONOMICAL METHODS OF OPERATION



Labor Efficiency

1. Labor efficiency is largely the result of good planning and of having a farm large enough to employ profitably the labor available.
2. The costs of labor and equipment are rising steadily in terms of prices received for farm products. Every new invention or improved method makes it just that much harder for the farm or the farmer that can't use it.
3. The most efficient farmers usually accomplish about two or three times as much income producing work per man as do the groups with the lowest labor efficiency.
4. Ways of improving labor efficiency:
 - a. Pay as good a wage as possible.
 - b. Enlarge size of business by intensifying or extending.
 - c. Better labor distribution.
 - d. Use of well-established machinery.
 - e. Doing work at proper time.
 - f. Better farm layout and building arrangement.
 - g. Plan work ahead.
 - h. Labor management.
 1. Encourage individual initiative.
 2. Adapt method of pay to get most work.
 3. Standardize work. Set standards high enough.
 4. Diplomatically encourage competition between groups.
 5. Show appreciation of work done.
 6. Put best men in key positions.
 7. Take interest in hired man's welfare.
 8. Teach and explain work or try to improve efficiency.

Rates of Production

1. The primary production problem of an individual farmer is how to get high yields of good quality economically.
2. Higher than average yields increase size of business, output per man, and lower cost per unit of product.
3. In periods of low prices, higher yields by economical methods are probably more important than size of farm.
4. Most of the approved methods for getting higher crop yields call for greater cash outlay for better seed, fertilization, disease and insect control, cover crops, and drainage. Higher production per animal calls for better sires or higher prices for purchased cows, more adequate housing, and more protein in the purchased feeds or home-grown roughage and pastures.
5. In the future, as competition becomes keener, it will be more difficult for the farmer with poor land and poor animals to make a decent living.

